

**BUDGET PLANNING CALENDAR****ONGOING**

Policy Direction - The Board of Supervisors provides ongoing policy direction to the Chief Executive Officer.

Significant Budgetary or Programmatic Impacts – Significant budgetary or programmatic changes and potential impacts are immediately communicated to the County Administrative Office and the Board of Supervisors to allow for timely decision-making and policy direction.

Year-End Estimates - Departments provide year-end estimates of revenues and expenditures to Finance and Administration on a monthly basis and any significant changes are addressed timely.

Quarterly Budget Reports - Each quarter the County Administrative Office brings an agenda item to the Board of Supervisors requesting modification to the adopted budget. These quarterly budget adjustments serve as a management tool to help each department assess the current environment, and anticipate and respond appropriately to that environment. In addition, the quarterly budget adjustments provide the Board of Supervisors with the most current information on County department revenues (sources) and appropriation (requirements) with which to base decisions, and serve as a guideline to lead the County in preparing the upcoming budget.

**OCTOBER THROUGH DECEMBER**

Capital Improvement Plan – Departments submit annual capital improvement requests for improvements to land or structures that exceed \$5,000. These requests include a project description and justification, financial impact, and funding source. The requests are evaluated and prioritized by Finance and Administration and provided to the Chief Executive Officer for comments and recommendations, and presented to the Board of Supervisors for final approval. In addition, departmental five-year capital improvement plans are updated to re-evaluate priorities based on changing circumstances, staffing levels, and available funding.

Fee and Internal Service Rate Development – Departments develop their recommended fee changes and internal service rate adjustments for the upcoming budget year and submit them to Finance and Administration for review and recommendation to the Chief Executive Officer, and to the Board of Supervisors for final approval. Departments are required to compute their full cost of service, capturing both direct and indirect costs associated with fees and internal service rates. Departments are able to recommend an alternate fee amount to the Board of Supervisors, if based on their knowledge, implementation of a full cost fee or internal service rate would not be beneficial.

**JANUARY AND FEBRUARY**

Five-year Fiscal Forecast – Finance and Administration develops a five-year fiscal forecast of financial operations for general fund programs, projecting major revenues (sources) and expenditures (requirements), based on current service levels and expected future changes to those programs or service levels. The analysis includes the identification of trends, significant impacts, and recommendations, which are presented to the Chief Executive Officer for recommendation to the Board of Supervisors for final approval.

Budget Prep System – The in-house budget system is updated for changes in the various Memorandums of Understanding between the County and the various employee representation units.

**MARCH AND APRIL**

Budget Prep System – The system is opened up for departmental input in preparation of the budget submittal and internal training is conducted for all users of the system.

County Fiscal Plan – The upcoming five-year County fiscal plan is developed based on revenue projections and estimates for cost increases of ongoing costs for the five years. This plan includes the allocation of discretionary general funding (net county cost) and provides estimates of any remaining funding or shortfall needed to maintain current services.



Preparation of Recommended Budget – Departments develop their respective recommended budgets and submit them to Finance and Administration for review, and to the Chief Executive Officer for recommendation, and to the Board of Supervisors for final approval. General fund departments must budget within their respective net county cost allocations given to them based on the strategic plan.

## MAY AND JUNE

Internal Service Rates – The rates charged by departments for services provided to other departments are brought before the Board of Supervisors for approval. In addition to rates for internal service funds, rates for services provided by general fund departments, such as Facilities Management, Human Resources, and Architecture and Engineering are also approved.

Fee Hearing – The Board of Supervisors conducts a public hearing on the Recommended Fee changes for the upcoming fiscal year. Approved fee changes are included in the Recommended Budget submittals to the Board of Supervisors.

Submission of Recommended Budget – The Recommended Budget Book is finalized and presented to the Board of Supervisors. The County Administrative Office publishes notices and schedules public hearings to discuss the Recommended Budget.

Budget Hearing and Adoption of Adopted Budget – The Board of Supervisors conducts a public hearing on the Recommended Budget. At this time, the Board may modify the Recommended Budget. All Board approved changes are incorporated into the Adopted Budget.

## JULY THROUGH SEPTEMBER

Budget Prep System – Finance and Administration makes final budget changes to the Budget Prep System for items approved by the Board of Supervisors, including final fund balance adjustments.

Preparation of Adopted Budget Book – Finance and Administration updates the Recommended Budget Book to reflect final changes.

### Calendar for the 2013-14 Budget

October 12, 2012	Fee Instructions to Departments
December 20, 2012	Capital Improvement Call Letter to Departments
January 25, 2013	Departments Submit Fee Workbooks
January 28, 2013	Departments Submit Capital Improvement Requests
March 27, 2013	Budget Preparation System opened for Departmental Input
March 29, 2013	Budget Preparation System Training
April 5, 2013	Budget Instructions to Departments
April 22, 2013	Departments Submit Budget Workbooks
April 23, 2013	2013-14 Internal Service Rates Approved
May 31, 2013	Recommended Budget Delivered to the Board of Supervisors
June 4, 2013	Fee Hearing
June 12 and 13, 2013	Budget Hearing and Adoption of 2013-14 Budget
September 2013	Adopted Budget Book Printed



Budget Process

Special Districts has special revenue funds, capital project funds, internal service funds and enterprise funds. All of these funds are restricted to the revenue sources they receive. Each department having these types of funds is responsible for developing its budget based on the revenue (sources) available to them. These sources include projected revenue to be collected in 2013-14 and any revenue not spent and carried forward from prior years (for example, fund balance for special revenue funds). These budgets will be discussed during the Budget Hearing. When the Board of Supervisors approves the adopted budget, they will also approve the necessary fund balance adjustments to special revenue funds to agree to the Auditor-Controller/Treasurer/Tax Collector's actual fund balance.

Amending the Adopted Budget

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the appropriation unit level within budget units for the County. Any increases in appropriation in a budget unit after adoption of the adopted budget will be submitted on a quarterly budget report placed on the agenda of the Board of Supervisors and a four-fifths vote is necessary for approval.

Transfers of appropriation within the same budget unit may be approved by the County Administrative Office depending upon the appropriation unit, unless noted below:

## Transfer of Salaries and Benefits Appropriation:

- Transfers out require Board of Supervisors approval and should be included in a quarterly budget report.

## Transfers of Fixed Asset Appropriation:

- Transfers in and out among the different fixed asset appropriation units are approved by the County Administrative Office as long as the total fixed asset appropriation does not increase.
- Transfers out of Fixed Asset Appropriation-
  - Transfers out increasing a non-fixed asset appropriation unit within individual Capital Improvement Program (CIP) project budgets are approved by the County Administrative Office as long as the total project budget does not increase.
  - Transfers out increasing a non-fixed asset appropriation unit are required to be included in the quarterly budget reports for Board of Supervisors approval, except within the CIP, as detailed above.
- Transfers in of Fixed Asset Appropriation-
  - Transfers in from a non-fixed asset appropriation unit to fund a unit value less than \$10,000 may be approved by the County Administrative Office.
  - Transfers in from a non-fixed asset appropriation unit to fund a unit value of \$10,000 or more are required to be included in the quarterly budget reports for Board of Supervisors approval.

## Transfers impacting Operating Transfers Out Appropriation:

- Any changes to Operating Transfers Out are required to be included in the quarterly budget reports for Board of Supervisors approval.

